Application No.: 10/773,944

Rule 111 Amendment dated April 22, 2005
Reply to Office Action dated November 26, 2004

Attorney Docket No.: 3054-056

## Remarks/Arguments

Reconsideration of the subject application as amended hereinabove is respectfully requested.

The Examiner has rejected the claims as being anticipated by Lawson. The Applicant respectfully traverses these rejections.

Briefly, the present application pertains to a method of subliminally encoding a visual portion of a video signal. Prior to the present invention, subliminal encoding of this type was performed by selecting a pair of adjacent horizontal lines in a frame, and increasing the amplitude of a first line of each pair by a predetermined amount and then decreasing the amplitude of the other line of the pair by the same amount. This process was found to be advantageous because it could be decoded either optically or electronically. However, as discussed in the present application, a disadvantage of the process is that the decoding may not survive a downrezing operation.

The present inventors have discovered that this disadvantage can be overcome if, instead of operating on alternate lines, a plurality of lines are modified with half of the successive lines having their amplitudes increased and the other half of the successive lines having their amplitude decreased. Moreover, the inventors have discovered that it is even more advantageous to relate the number of lines being modified to the downrezing factor. More specifically, if the video signal is downrezed by a factor N, then the group of lines should be 2N.

The Lawton reference discloses a method and apparatus for diagnosing and remediating dyslexia by superimposing a test pattern on a video signal. It is immediately apparent that this reference has nothing to do with the present invention. For example, the reference is silent about preserving encoded data during downrezing of the video signal. In fact the reference does not even mention that the video signal has subliminally hidden data.

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The Examiner argues that the test pattern could be made subliminally. The Applicants respectfully disagree. The reference teaches that superimposing the test pattern on a video signal and moving it around in a predetermined sequence is advantageous because a subject can look at the video signal and indicate reports on the movement of the test pattern. In other words, the test pattern has to be <u>visible</u> to the subject. Making the test pattern <u>invisible defeats the whole purpose of the apparatus and method.</u> In the present invention, the encoded data is encoded so that a viewer ideally is unaware of the encoded data.

It is respectfully submitted that the subject application is patentably distinguishable over the prior art and, therefore, it should be allowed.

Applicant hereby states that by the amendments shown hereinabove, no new matter is being added to the subject patent application.

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New York, New York

Respectfully submitted,

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